

ASSEMBLY, No. 5668

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED JUNE 24, 2019

Sponsored by:

Assemblywoman VALERIE VAINIERI HUTTLE

District 37 (Bergen)

SYNOPSIS

Requires NJHMFA to allocate certain portion of federal low-income housing tax credits to certain high-opportunity areas.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning the low-income housing tax credit program and
2 supplementing P.L.1983, c.530 (C.55:14K-1 et seq.).
3

4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*
6

7 1. a. Provided that the agency receives a sufficient number of
8 eligible applications, the agency shall reserve not less than 30
9 percent of the annual allocation of low-income housing tax credits
10 for qualified projects located within:

- 11 (1) a high-performing school district;
12 (2) a census tract with a poverty rate below the State average;
13 (3) one-half mile of public transportation; and
14 (4) one-half mile of not less than three of the following
15 facilities, or within three miles of not less than six of the following
16 facilities:
17 (a) a full-service grocery store or supermarket;
18 (b) a hospital or medical clinic;
19 (c) a public school;
20 (d) a licensed day care service provider;
21 (e) a Family Success Center operated by the Division of Family
22 and Community Partnerships in the Department of Children and
23 Families;
24 (f) a One Stop Career Center;
25 (g) a pharmacy;
26 (h) a department or retail merchandise store;
27 (i) a bank or credit union;
28 (j) a restaurant, not including a fast-food restaurant;
29 (k) an indoor public recreation facility, including, but not
30 limited to, a civic center, community center, or library;
31 (l) an outdoor public recreation facility, including, but not
32 limited to, a park or swimming pool;
33 (m) a medical office, including, but not limited to, the office of a
34 licensed physician, dentist, or optometrist;
35 (n) a religious institution;
36 (o) a post office, city hall, or county courthouse; or
37 (p) a fire or police station.

38 b. As used in this section:

39 “High-performing school district” means a public school district
40 in which not less than 40 percent of the students meet or exceed
41 expectations in math and language arts based on the Grade 4
42 Partnership for Assessment of Readiness for College and Careers
43 assessment, or any successor assessment method established by the
44 Department of Education.

45 “Hospital” means a general acute care hospital licensed pursuant
46 to P.L.1971, c.136 (C.26:2H-1 et seq.).

1 “Low-income housing tax credit” means the tax credits allocated
2 to the State pursuant to section 42 of the federal Internal Revenue
3 Code (26 U.S.C. s.42).

4 “One Stop Career Center” means any of the facilities established,
5 sponsored or designated by the State, a political subdivision of the
6 State and a Workforce Investment Board in a local area to
7 coordinate or make available State and local programs providing
8 employment and training services or other employment-directed and
9 workforce development programs and activities, including job
10 placement services, and any other similar facility as may be
11 established, sponsored or designated at any later time to coordinate
12 or make available any of those programs, services or activities.

13 “Poverty rate” means the percentage of households having
14 income, adjusted for household size, below the federal poverty line
15 established and adjusted pursuant to section 2 of the "Community
16 Services Block Grant Act," (42 U.S.C. s.9902).

17 “Public transportation” means any mode of transit available to
18 the general public with fixed fares and daily scheduled service,
19 without seasonal interruption, which shall at minimum operate
20 Monday through Friday and provide regularly scheduled service
21 during the period between 6:30 A.M. and 9:30 A.M. and the period
22 between 3:00 P.M. and 6:00 P.M.

23
24 2. This act shall take effect immediately but shall remain
25 inoperative until the next allocation of low-income housing tax
26 credits immediately following the date of enactment.

27 28 29 STATEMENT

30
31 This bill requires the New Jersey Housing and Mortgage Finance
32 Agency (NJHMFA) to reserve not less than 30 percent of its annual
33 allocation of low-income housing tax credits (LIHTCs) for qualified
34 projects located in certain high-opportunity areas.

35 Under the LIHTC program, the federal government allocates tax
36 credits to designated State agencies (e.g., the NJHMFA), which
37 award the tax credits to the developers of qualified projects in order
38 to subsidize the construction of affordable rental housing. Subject
39 to federal constraints, each State agency awards LIHTCs based on
40 standards and procedures set forth in a Qualified Allocation Plan,
41 which may reserve a portion of LIHTCs for projects located in
42 certain targeted areas.

43 Specifically, the bill requires the NJHMFA to reserve not less
44 than 30 percent of its annual allocation of LIHTCs for qualified
45 projects located within:

46 (1) a high-performing public school district, in which not less
47 than 40 percent of the students meet or exceed expectations in math
48 and language arts based on the Grade 4 Partnership for Assessment

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- 1 of Readiness for College and Careers assessment, or any successor
- 2 assessment method established by the Department of Education;
- 3 (2) a census tract with a poverty rate below the State average;
- 4 (3) one-half mile of public transportation, which is available to
- 5 the general public with daily scheduled service operating during
- 6 regular commuter hours; and
- 7 (4) the close proximity of certain designated positive land uses,
- 8 including, but not limited to, grocery stores, health care facilities,
- 9 day care providers, recreational facilities, family and vocational
- 10 support centers, and other civic institutions.